

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

IN RE: § **CASE NO. 20-51780-RBK**
§
EARTH ENERGY RENEWABLES, LLC §
§
§
§
§
DEBTOR § **CHAPTER 11**
§ **SUBCHAPTER V**

**DEBTOR'S SECOND MOTION TO INCUR UNSECURED DEBT
PURSUANT TO 11 U.S.C. § 364(B)**

TO THE HONORABLE RONALD B. KING, CHIEF UNITED STATES BANKRUPTCY JUDGE:

NOW COMES EARTH ENERGY RENEWABLES, LLC, the Debtor in Possession in the above entitled and numbered Chapter 11, Subchapter V proceeding (“Debtor”), and files this its second motion seeking the authority of the Court to incur unsecured debt under 11 U.S.C. § 364(b). In support of such requested relief, the Debtor would respectfully show the Court the following:

SUMMARY OF RELIEF REQUESTED

The Debtor seeks authority to incur unsecured debt in the amount of \$240,000.00 to fund its regularly scheduled bi-monthly payroll along with associated payroll taxes on November 16, 2020 and other essential expenses. This unsecured debt would not be an administrative expense under 11 U.S.C. § 503(b)(1).

BACKGROUND AND ARGUMENT

1. These Chapter 11, Subchapter V proceedings were commenced by voluntary petition filed on October 20, 2020 (the “Petition Date”). At this time, the Debtor continues to operate its business and manage its assets as a debtor in possession pursuant to §§ 1107 and 1108 of the

Bankruptcy Code. The Debtor has all of the rights, duties and powers of a trustee under § 1106 of the Bankruptcy Code, except as limited by 11 U.S.C. § 1107(a).

2. The Debtor is a Texas limited liability company in the bio-chemical business and employs engineers, technicians, support staff and management.

3. The Debtor is scheduled to make a regular bi-monthly payroll on November 16, 2020, for employee labor performed between the dates November 1, 2020 and November 16, 2020, inclusive. That payroll, including the employer and employee portions of payroll taxes and health insurance reimbursements (which are made once a month) is expected to total \$71,834.24 (being \$67,982.04 in gross payroll and health insurance reimbursement plus \$3,852.95 in employer payroll taxes). The proposed financing of \$240,000.00 would fully fund the projected payroll and accrued essential expenses for the two week period as shown in the budget attached hereto as Exhibit 1, along with a cushion of \$22,703.74.

4. By Order entered October 30, 2020, this Court granted the Debtor's Motion for Authority to Incur Unsecured Debt in the amount of \$60,000.00 to cover the October 31, 2020 payroll.

5. It is critical to the operation of the Debtor's business, and to the Debtor's reorganization efforts that it be permitted to timely fund the November 16, 2020 payroll together with the expenses as shown on Exhibit 1.

6. Jeffrey Wooley and John Wooley, who are the Managers of the Debtor and who also own membership interests in the Debtor, have agreed to loan the Debtor \$70,000.00. Mark Edelman, who also owns membership interests in the Debtor, has agreed to loan the Debtor \$170,000.00 through his IRA.

7. The terms of the proposed loans are as follows:

<u>Term</u>	<u>Description</u>	<u>Location in Notes</u>
Principal amounts	\$70,000.00 and \$170,000.00	Page 1, opening paragraph
Interest Rate	8.0% per annum (default rate: 18.0%)	Page 1, opening paragraph
Maturity Date	May 16, 2021	Page 1, para 2 (“Payment Schedule”)
Security	None	Page 1, paragraph 8 (“Security”)
Payment Schedule	One payment of principal and accrued, unpaid interest due at Maturity (05/16/2021)	Page 1, paragraph 2 (“Payment Schedule”)

8. Debtor is unable to borrow additional funds on an unsecured basis under the conditions set forth in §§ 364(a) of the Code.

9. Attached as Exhibit 2 is the November 16, 2020 payroll broken down by employee (names are shown as numbers to preserve anonymity), salary or hourly rate and associated payroll.

10. Attached as Exhibit 3 are the proposed forms of promissory notes.

11. **Disclosure of Interests.** As noted above, the proposed lenders, Jeffrey Wooley and John Wooley, are the Managers of the Debtor and also own membership interests in the Debtor. Jeffrey Wooley owns 1,908,363 membership units in the Debtor. John Wooley owns 1,908,363 membership units in the Debtor. Together, they control an additional 104,165 membership units in the Debtor. The Debtor owes Jeffrey Wooley \$153,716.97 and John Wooley \$134,156.21. The budget in Exhibit 1 proposes to pay Jeff Wooley and John Wooley their normal consulting fees of \$8,750.00 each. Mark Edelman owns 158,546 membership units through the Gary Edelman Trust. The Debtor is not indebted to Mr. Edelman.

WHEREFORE, PREMISES CONSIDERED, the Debtor prays that the Court, after notice and a hearing, enter an order authorizing the Debtor to incur unsecured debt in the amount of \$240,000.00 as set forth above and granting such other and further relief to which the Debtor might show itself to be entitled.

Dated: November 12, 2020.

Respectfully submitted,

/s/ Frank B. Lyon

Frank B. Lyon

Texas Bar No. 12739800

TWO FAR WEST PLAZA, Suite 170

Austin, Texas 78731

512-345-8964 / Fax 512-647-0047

frank@franklyon.com

ATTORNEY FOR THE DEBTOR IN POSSESSION,
EARTH ENERGY RENEWABLES, LLC

CERTIFICATE OF SERVICE

I, Frank B. Lyon, the attorney for the Debtor, hereby certify that on the 12th day of November, 2020, a true and correct copy of the foregoing Motion was served upon the United States Trustee (James Rose), Eric Terry (Subchapter V Trustee) and upon parties requesting notice, including John Melko on behalf of Ara EER Holdings, LLC, Deborah Williamson on behalf of Kemin Industries, Tara LeDay on behalf of Brazos County and Michael Shaunnessy on behalf of SC Ventures, through the Court's CM/ECF electronic noticing system.

I further certify that on the same date, a true and correct copy of the foregoing Motion was served via U.S. First Class Mail to the parties on the attached matrix except for those parties receiving notice through the Court's CM/ECF electronic noticing system.

I further certify that as soon as I have obtained a hearing date and time from the Court for the hearing on this Motion, I will serve copies of the Notice of Hearing on this Motion upon all parties entitled to notice under the Bankruptcy Rules and Local Rules of this Court, and that I will serve all such parties, including any affected creditor, with notice of the time and date of such hearing and the means to participate in such hearing remotely, and that promptly thereafter I will file a Certificate of Service to identify the parties served and the means by which they were served.

/s/ Frank B. Lyon

Frank B. Lyon

EXHIBIT 1

Earth Energy Renewables LLC
OnGoing Post Petition Chapter V Cash & Budget

		Shareholder Loans	Expenses	Totals & Weekly Balance
Cash Position 10/20/2020	Filing Date			\$79,789.65)
10/21/2020	UPS Debit		\$(110.04)	\$(110.04)
10/21/2020	Loan Ramsey	\$1,300.00		\$1,300.00
10/21/2020	Loan Reihmann	\$15,000.00		\$15,000.00
10/21/2020	Loan Sauter	\$10,000.00		\$10,000.00
10/26/2020	BTU Utilities		\$(3,283.82)	\$(3,283.82)
10/31/2020	Loan John & Jeff Wooley	\$60,000.00		\$60,000.00
10/30/2020	Balance			\$3,116.49
10/31-11/15 Budget				
11/13/2020	Loan John & Jeff Wooley	\$70,000.00		\$70,000.00
10/31/2020	Gross Payroll		\$(55,887.29)	\$(55,887.29)
11/13/2020	Teksys Net (Computers & Internet)		\$(1,449.03)	\$(1,449.03)
11/13/2020	Expenses (Admin Mgr)		\$(105.36)	\$(24.09)
11/13/2020	Expenses (Engineer)		\$(4,713.99)	\$(4,713.99)
11/13/2020	Expenses Ooerations Manager		\$(46.00)	\$(46.00)
11/13/2020	Employer Payroll tax (10/31 Payroll)		\$(3,810.38)	\$(3,810.38)
11/13/2020	Texas TWC Q3		\$(11.24)	\$(11.24)
11/13/2020	Frank Lyon		\$(3,222.22)	\$(3,222.22)
11/13/2020	Univesity of Georgia		\$(2,000.00)	\$(2,000.00)
11/13/2020	Car Vavra (Elecrician)		\$(1,250.00)	\$(1,250.00)
11/13/2020	Pruitt's Frac Tanks (Water Disposal)		\$(1,438.25)	\$(1,438.25)
11/13/2020	Scarmado Electric		\$(1,000.00)	\$(1,000.00)
11/13/2020	John Wooley Consulting		\$(8,750.00)	\$(8,750.00)
11/13/2020	Jeff Wooley Consulting		\$(8,750.00)	\$(8,750.00)
11/13/2020	EE-TDF (Carl Frampton Controller Services)		\$(7,500.00)	\$(7,500.00)

11/13/2020	Consultant Sales & Marketing		\$(2,850.00)	\$(2,850.00)
11/13/2020	Wilscot (Rent)		\$(2,895.00)	\$(2,895.00)
11/13/2020	Final 10/28/20 Insurance Payment		\$(208.28)	\$(208.28)
11/13/2020	Loan Edelman	\$170,000.00		\$170,000.00
11/13/2020	Expenses Carl Frampton (Controller)		\$(4,469.65)	\$(4,469.65)
11/13/2020	Praxair (Consumeable Gas)		\$(1,202.29)	\$(1,202.29)
11/13/2020	EE-TDF (Carl Frampton Controller Services)		\$(7,500.00)	\$(7,500.00)
11/13/2020	2020-21 Insurance Down Payment		\$(5,000.00)	\$(5,000.00)
11/13/2020	Univ of Geogia Outisde Testing (Reimburse Jeff Wooley Paid on His Credit Card)		\$(2,000.00)	\$(2,000.00)
11/13/2020	Atmos Energy		\$(1,500.00)	\$(1,500.00)
11/13/2020	VWR (Supplies)		\$(2,500.00)	\$(2,500.00)
11/13/2020	Agilent (Maintenance Contract)		\$(3,600.00)	\$(3,600.00)
11/16/2020	Payroll Gross (Inc Health Reimbursement)		\$(67,982.09)	\$(67,982.09)
11/18/2020	Employer Payroll Taxes		\$(3,852.95)	\$(3,852.95)
11/18/2020	Frank Lyon		\$(15,000.00)	\$(15,000.00)
	Totals	\$240,000.00	\$(220,494.02)	\$22,703.74

EXHIBIT 2

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EARTH ENERGY RENEWABLES LLC

Payroll Summary

November 1 - 16, 2020

	#1		#2		#3		#4		
	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20
Employee Wages, Taxes and Adjustments									
Gross Pay									
Administration Salaries			0.00			0.00			0.00
Engineering Salary			0.00			0.00			0.00
Plant Ops Salary			0.00			0.00			3,333.33
R & D Labor			0.00			0.00			0.00
Hourly Vacation	12.00	17.00	204.00	8.00	17.00	136.00			0.00
Overtime (x1.5) hourly	12.00	25.50	306.00		25.50	0.00			0.00
Plant Ops Hourly	76.00	17.00	1,292.00	26.00	17.00	442.00			0.00
Health Insurance Reimbursement			300.00			0.00			750.00
Total Gross Pay	100.00		2,102.00	34.00		578.00			750.00
Adjusted Gross Pay	100.00		2,102.00	34.00		578.00			4,083.33
Taxes Withheld									
Federal Withholding			-130.00			-24.00			-316.00
Medicare Employee			-26.13			-8.38			-39.88
Social Security Employee			-111.72			-35.83			-170.50
Medicare Employee Addl Tax			0.00			0.00			0.00
Total Taxes Withheld			-267.85			-68.21			-526.38
Net Pay	100.00		1,834.15	34.00		509.79			2,973.62
Employer Taxes and Contributions									3,547.33
Federal Unemployment			0.00			0.00			0.00
Medicare Company			26.13			8.38			48.33
Social Security Company			111.72			35.83			206.67
TX - Unemployment			0.00			0.00			0.00
Total Employer Taxes and Contributions			137.85			44.21			210.38
									255.00

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EARTH ENERGY RENEWABLES LLC

Payroll Summary

November 1 - 16, 2020

	#5		#6		#7		#8		
	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20
Employee Wages, Taxes and Adjustments									
Gross Pay									
Administration Salaries			0.00			0.00			0.00
Engineering Salary			0.00			2,916.67			0.00
Plant Ops Salary			0.00			0.00			0.00
R & D Labor			7,500.00			0.00			0.00
Hourly Vacation			0.00			0.00			0.00
Overtime (x1.5) hourly			0.00			0.00			471.75
Plant Ops Hourly			0.00			0.00			1,360.00
Health Insurance Reimbursement			750.00			750.00			300.00
Total Gross Pay			8,250.00			3,666.67			2,131.75
Adjusted Gross Pay			8,250.00			3,666.67			2,131.75
Taxes Withheld									
Federal Withholding			-481.00			-353.00			-321.00
Medicare Employee			-108.75			-42.30			-39.88
Social Security Employee			0.00			-180.83			-170.50
Medicare Employee Addl Tax			0.00			0.00			0.00
Total Taxes Withheld			-589.75			-576.13			-290.12
Net Pay			7,660.25			3,090.54			1,841.63
Employer Taxes and Contributions									
Federal Unemployment			0.00			0.00			0.00
Medicare Company			108.75			42.30			26.56
Social Security Company			0.00			180.83			113.56
TX - Unemployment			0.00			0.00			0.00
Total Employer Taxes and Contributions			108.75			223.13			140.12

EARTH ENERGY RENEWABLES LLC

Payroll Summary

November 1 - 16, 2020

	#9		#10		#11		#12		
	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20
Employee Wages, Taxes and Adjustments									
Gross Pay									
Administration Salaries			0.00			0.00			0.00
Engineering Salary			0.00			0.00			0.00
Plant Ops Salary			4,166.67			0.00			3,400.00
R & D Labor			0.00			5,000.00			0.00
Hourly Vacation			0.00			0.00			0.00
Overtime (x1.5) hourly			0.00			0.00			0.00
Plant Ops Hourly			0.00			0.00			0.00
Health Insurance Reimbursement			750.00			750.00			750.00
Total Gross Pay			4,916.67			5,750.00			2,250.00
Adjusted Gross Pay			4,916.67			5,750.00			2,250.00
Taxes Withheld									
Federal Withholding			-317.00			-443.00			-268.00
Medicare Employee			60.42			72.50			49.30
Social Security Employee			-258.33			-310.00			-210.80
Medicare Employee Addl Tax			0.00			0.00			0.00
Total Taxes Withheld			-635.75			-825.50			-245.75
Net Pay			4,280.92			4,924.50			2,004.25
Employer Taxes and Contributions									
Federal Unemployment			0.00			0.00			0.00
Medicare Company			60.42			72.50			49.30
Social Security Company			258.33			310.00			210.80
TX - Unemployment			0.00			0.00			0.00
Total Employer Taxes and Contributions			318.75			382.50			114.75

EARTH ENERGY RENEWABLES LLC

Payroll Summary

November 1 - 16, 2020

	#13			#14			#15			#16		
	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20
Employee Wages, Taxes and Adjustments												
Gross Pay												
Administration Salaries			0.00			0.00			0.00			0.00
Engineering Salary			0.00			0.00			0.00			0.00
Plant Ops Salary			0.00			2,600.00			2,320.29			0.00
R & D Labor			2,625.00			0.00			0.00			0.00
Hourly Vacation			0.00			0.00			0.00	12.00	17.00	204.00
Overtime (x1.5) hourly			0.00			0.00			0.00	8.00	25.50	204.00
Plant Ops Hourly			0.00			0.00			0.00	76.00	17.00	1,292.00
Health Insurance Reimbursement			750.00			750.00			750.00			750.00
Total Gross Pay			3,375.00			3,350.00			3,070.29	96.00		2,450.00
Adjusted Gross Pay			3,375.00			3,350.00			3,070.29	96.00		2,450.00
Taxes Withheld												
Federal Withholding			-396.00			-283.00			-212.00			-155.00
Medicare Employee			-38.06			-37.70			-33.65			-24.65
Social Security Employee			-162.75			-161.20			-143.86			-105.40
Medicare Employee Addl Tax			0.00			0.00			0.00			0.00
Total Taxes Withheld			-598.81			-481.90			-389.51			-285.05
Net Pay			2,776.19			2,868.10			2,680.78	96.00		2,164.95
Employer Taxes and Contributions												
Federal Unemployment			0.00			0.00			0.00			0.00
Medicare Company			38.06			37.70			33.65			24.65
Social Security Company			162.75			161.20			143.86			105.40
TX - Unemployment			0.00			0.00			0.00			0.00
Total Employer Taxes and Contributions			200.81			198.90			177.51			130.05

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EARTH ENERGY RENEWABLES LLC

Payroll Summary

November 1 - 16, 2020

	#17			#18			#19			TOTAL		
	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20	Hours	Rate	Nov 1 - 16, 20
Employee Wages, Taxes and Adjustments												
Gross Pay												
Administration Salaries			1,733.33			0.00			0.00			1,733.33
Engineering Salary			0.00			0.00			5,625.00			11,291.67
Plant Ops Salary			0.00			0.00			0.00			18,570.29
R & D Labor			0.00			0.00			0.00			16,625.00
Hourly Vacation			0.00	12.00	17.00	204.00			0.00	44.00		748.00
Overtime (x1.5) hourly			0.00	8.00	25.50	204.00			0.00	46.50		1,185.75
Plant Ops Hourly			0.00	76.00	17.00	1,292.00			0.00	334.00		5,678.00
Health Insurance Reimbursement			750.00			300.00			750.00			12,150.00
Total Gross Pay			2,483.33		96.00			2,000.00		6,375.00		424.50
Adjusted Gross Pay			2,483.33		96.00			2,000.00		6,375.00		424.50
Taxes Withheld												
Federal Withholding			-95.00			-31.00			-541.00			-4,930.00
Medicare Employee			-25.14			-24.65			-81.56			-809.59
Social Security Employee			-107.46			-105.40			-348.75			-2,996.56
Medicare Employee Addl Tax			0.00			0.00			0.00			0.00
Total Taxes Withheld			-227.60			-161.05			-971.31			-8,736.15
Net Pay			2,255.73		96.00			1,838.95		5,403.69		424.50
Employer Taxes and Contributions												
Federal Unemployment			0.00			0.00			0.00			0.00
Medicare Company			25.14			24.65			81.56			809.59
Social Security Company			107.46			105.40			348.75			2,996.56
TX - Unemployment			46.80			0.00			0.00			46.80
Total Employer Taxes and Contributions			179.40			130.05			430.31			3,852.95

EXHIBIT 3

PROMISSORY NOTE

\$70,000.00

CANYON LAKE, TEXAS

For value received, Earth Energy Renewables, LLC, subsequently referred to as the Borrower, promises to pay to the order of Jeffrey J. Wooley and John C. Wooley, P.O. Box 2185, Canyon Lake, TX 78133 or such address as may be designated by the Holder, the sum of Seventy Thousand and 00/100 Dollars (\$70,000.00) together with interest from the date of execution of this note on the outstanding principal balance at 8.0% per annum. If there is an uncured monetary default, the interest rate shall be 18% per annum beginning on the date of default.

Payment Schedule. This Note is due and payable in one payment of all outstanding principal and accrued, unpaid interest on May 16, 2021. Payments will be credited first to accrued interest and other charges, if any, due under this note and then to reduction of principal.

Time and Place of Payment; Late Fee. Payment is due at Holder's address on the due date.

Attorney's Fees. If suit is commenced on this note, the Borrower agrees to pay to the Holder of this note reasonable attorney's fees and expenses.

Default. Failure to pay the outstanding balance when due shall be an event of default.

Waiver of Rights. The Borrower hereby waives presentment, demand, protest, notice of dishonor, notice of protest, notice of intent to accelerate and notice of acceleration.

No usurious interest. It being the parties' intent to strictly comply with all applicable usury laws, it is agreed that the maximum amount of interest due under this note shall not at any time exceed the maximum amount of interest allowed by law, any other provisions of this note to the contrary notwithstanding. This note shall be construed to this effect.

Security. This note is unsecured.

Law Governing. This note shall be construed under and governed by the laws of the State of Texas and is performable in Comal County, Texas.

Business Purposes. Borrower represents and warrants to Lender that the loan evidenced by this note is for business purposes only and is not for personal or consumer purposes. Borrower acknowledges that Lender is relying upon such representation in making the loan and would not make the loan but for such representation.

BORROWER ACKNOWLEDGES THAT THE LENDER HAS MADE NO REPRESENTATION THAT THE LENDER WILL REFINANCE THE INDEBTEDNESS EVIDENCED HEREBY OR EXTEND CREDIT, AT MATURITY OF THIS NOTE OR OTHERWISE, TO BORROWER, ANY GUARANTOR OF THIS NOTE OR ANY OTHER PARTY CONNECTED IN ANY WAY WITH THIS NOTE. THIS NOTE REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES. ANY AMENDMENT OR MODIFICATION OF THIS NOTE SHALL BE IN WRITING AND SIGNED BY THE PARTY BOUND THEREBY.

Dated: November 16, 2020

BORROWER:
Earth Energy Renewables, LLC

By: _____
Jeffrey J. Wooley, Manager

By: _____
John C. Wooley, Manager

PROMISSORY NOTE

\$170,000.00

CANYON LAKE, TEXAS

For value received, Earth Energy Renewables, LLC, subsequently referred to as the Borrower, promises to pay to the order of BOOTRUST – Custodian FBO Mark A. Edelman Traditional IRA at 2324 T Road, Sabetha, KS 66534 or such address as may be designated by the Holder, the sum of One Hundred Seventy Thousand and 00/100 Dollars (\$170,000.00) together with interest from the date of execution of this note on the outstanding principal balance at 8.0% per annum. If there is an uncured monetary default, the interest rate shall be 18% per annum beginning on the date of default.

Payment Schedule. This Note is due and payable in one payment of all outstanding principal and accrued, unpaid interest on May 16, 2021. Payments will be credited first to accrued interest and other charges, if any, due under this note and then to reduction of principal.

Time and Place of Payment; Late Fee. Payment is due at Holder's address on the due date.

Attorney's Fees. If suit is commenced on this note, the Borrower agrees to pay to the Holder of this note reasonable attorney's fees and expenses.

Default. Failure to pay the outstanding balance when due shall be an event of default.

Waiver of Rights. The Borrower hereby waives presentment, demand, protest, notice of dishonor, notice of protest, notice of intent to accelerate and notice of acceleration.

No usurious interest. It being the parties' intent to strictly comply with all applicable usury laws, it is agreed that the maximum amount of interest due under this note shall not at any time exceed the maximum amount of interest allowed by law, any other provisions of this note to the contrary notwithstanding. This note shall be construed to this effect.

Security. This note is unsecured.

Law Governing. This note shall be construed under and governed by the laws of the State of Texas and is performable in Comal County, Texas.

Business Purposes. Borrower represents and warrants to Lender that the loan evidenced by this note is for business purposes only and is not for personal or consumer purposes. Borrower acknowledges that Lender is relying upon such representation in making the loan and would not make the loan but for such representation.

BORROWER ACKNOWLEDGES THAT THE LENDER HAS MADE NO REPRESENTATION THAT THE LENDER WILL REFINANCE THE INDEBTEDNESS EVIDENCED HEREBY OR EXTEND CREDIT, AT MATURITY OF THIS NOTE OR OTHERWISE, TO BORROWER, ANY GUARANTOR OF THIS NOTE OR ANY OTHER PARTY CONNECTED IN ANY WAY WITH THIS NOTE. THIS NOTE REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES. ANY AMENDMENT OR MODIFICATION OF THIS NOTE SHALL BE IN WRITING AND SIGNED BY THE PARTY BOUND THEREBY.

Dated: November 16, 2020

BORROWER:
Earth Energy Renewables, LLC

By: _____
Jeffrey J. Wooley, Manager

By: _____
John C. Wooley, Manager

Label Matrix for local noticing

0542-5

Case 20-51780-rbk

Western District of Texas

San Antonio

Sun Oct 25 22:39:00 CDT 2020

ARA EER Holdings, LLC

5300 Memorial Dr. Ste. 500

Houston, TX 77007-8228

Earth Energy Renewables, LLC

Po Box 2185

Attn Jeff Wooley, Manager

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PROPOSED ORDER

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

IN RE: § **CASE NO. 20-51780-RBK**
§
EARTH ENERGY RENEWABLES, LLC §
§
§
§
DEBTOR § **CHAPTER 11**
§ **SUBCHAPTER V**

**ORDER GRANTING DEBTOR'S SECOND MOTION TO INCUR UNSECURED DEBT
PURSUANT TO 11 U.S.C. § 364(B)**

On this day, at San Antonio, Texas, came before the Court for expedited hearing the Debtor's Second Motion to Incur Unsecured Debt pursuant to 11 U.S.C. § 364(b) (the "Motion"), filed in this Chapter 11 proceeding by the Debtor in Possession, Earth Energy Renewables, LLC, (the "Debtor"). The Debtor appeared through its attorney of record, Frank B. Lyon. Other parties in interest appeared, as announced on the record in open Court.

The Court finds, based upon the representations of Debtor's counsel, that notice is proper in that a copy of the Motion, together with notice of the time, date and place of the expedited hearing on the Motion, was served upon each of the parties entitled to notice under Title 11, United States Code, the Federal Rules of Bankruptcy Procedure and the Local Rules of this Court. The Court further finds that no objections to the Motion were filed by any person and no party appeared in opposition to the Motion.

Having considered the Motion and the evidence and arguments of counsel, the Court finds: that the Motion is proper; that it is critical to the operation of the Debtor's business, and to the Debtor's reorganization efforts, that it be permitted to incur unsecured debt pursuant to 11 U.S.C. § 364(b) in the amount of \$240,000.00 on the terms that are set forth in the Motion.

IT IS THEREFORE ORDERED that the Motion is hereby GRANTED, and the Debtor is hereby authorized to incur unsecured debt pursuant to 11 U.S.C. § 364(b) on the forms attached hereto as Exhibit A.

#

This Order was prepared and submitted by
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